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Attorneys for PLAINTIFFS, ROLANDO VIRAMONTES, JUAN VAQUERANO, MANUEL CASTRO, and ALONSO JIMENEZ, and all others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF ORANGE, COMPLEX CENTER

ROLANDO VIRAMONTES, JUAN VAQUERANO, MANUEL CASTRO, and ALONSO JIMENEZ, individuals, on behalf of themselves and all others similarly situated,

Plaintiffs,

v.

PRESTIGE DESIGN CENTER, INC., a California Corporation, PACIFIC STONE DESIGN CENTER, INC., a California Corporation, PACIFIC STONE CONSTRUCTION, INC., a California Corporation, and HOOTAN ATAIAN, an individual, and DOES 1 through 20, inclusive,

Defendants.

Case No.: 30-2021-01179611-CU-OE-CJC

Assigned for all purposes to the Hon. William Claster, Dept. CX101

NOTICE OF PROPOSED SETTLEMENT AGREEMENT

Complaint Filed: January 19, 2021
Trial Date: Not Yet Set

TO ALL PARTIES AND THEIR ATTORNEYS OR RECORD:

PLEASE TAKE NOTICE THAT the above referenced matter, related to PAGA Case Number LWDA-CM-803094-20 has settled. Pursuant to the above referenced Court's tentative ruling, Plaintiff hereby submits the proposed settlement agreement, the complaint, and the notice of settlement, for the above referenced case. The proposed settlement agreement is attached hereto as "Exhibit 1". The complaint is attached hereto as "Exhibit 2". The notice of settlement is attached hereto as "Exhibit 3".

DATED: December 23, 2024

EMPLOYEES FIRST LABOR LAW P.C.

By:_____

Jonathan LaCour, Esq.
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Jameson Evans, Esq.
Amanda M. Thompson, Esq.
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EXHIBIT 1

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Defendants' Counsel Listed on Next Page

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF ORANGE, COMPLEX CENTER

ROLANDO VIRAMONTES, JUAN VAQUERANO, MANUEL CASTRO, and ALONSO JIMENEZ, individuals, on behalf of themselves and all others similarly situated,

Plaintiffs,

v.

PRESTIGE DESIGN CENTER, INC., a California Corporation, PACIFIC STONE DESIGN CENTER, INC., a California Corporation, PACIFIC STONE CONSTRUCTION, INC., a California Corporation, and HOOTAN ATAIAN, an individual, and DOES 1 through 20, inclusive,

Defendants.

Case No. 30-2022-01258960-CU-OE-CXC

Assigned for all purposes to the Honorable William Claster, Dept. CX-105

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT AND RELEASE

Complaint Filed: May 10, 2022
Trial Date: Not Yet Set

Doc ID: ee16bf179e2fd23ea6fa5b0e7c55921cf59729ed

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Doc ID: ee16bf179e2fd23ea6fa5b0e7c55921cf59729ed

JOINT STIPULATION OF CLASS AND PAGA ACTION SETTLEMENT AND RELEASE

The Joint Stipulation of Class and PAGA Action Settlement and Release ("Settlement Agreement" or "Settlement") is made and entered into by and between ROLANDO VIRAMONTES, JUAN VAQUERANO, MANUEL CASTRO, and ALONSO JIMENEZ (collectively "Plaintiffs"), as individuals and on behalf of all others similarly situated, and PRESTIGE DESIGN CENTER, INC., PACIFIC STONE DESIGN CENTER, INC., PACIFIC STONE CONSTRUCTION, INC., and HOOTAN ATAIAN (referred to collectively as "Defendants") (Plaintiffs and Defendants together shall be referred to as the "Parties"). In consideration of the promises and mutual covenants and agreements herein contained, the Parties hereby covenant and agree as follows:

RECITALS

1. On May 10, 2022, Plaintiffs filed a complaint in the California Superior Court for the County of Orange, entitled *Viramontes, et al. v. Prestige Design Center, Inc. et al.* Case No. 30-2022-01258960-CU-OE-CXC (the "Class Action") asserting class action causes of action for 1) Failure to Pay Minimum Wages in Violation of Labor Code §§1194, 1194.2, 1197, Wage Order No. 5 of the IWC; 2) Failure to Furnish Wage and Hour Statements (Labor Code §§ 226 and 226.3); 3) Failure to Provide Meal and Rest Period Compensation (Labor Code §226.7); 4) Failure to Pay Wages in a Timely Manner (Labor Code § 204); 5) Failure to Pay Overtime Compensation (Labor Code § 1194); 6) Unfair Competition (Bus. & Prof. Code § 17200, et seq.); and 7) Waiting Time Penalties (Labor Code §§ 201, 202, and 203). On January 19, 2021, Plaintiffs filed a complaint in the California Superior Court for the County of Orange, entitled *Viramontes, et al. v. Prestige Design Center, Inc. et al.* Case No. 3030-2021-01179611-CU-OE-CJC (the "PAGA Action") asserting causes of action for 1) Failure to Pay Minimum Wages in Violation of Labor Code §§1194, 1194.2, 1197, Wage Order No. 5 of the IWC; 2) Failure to Furnish Wage and Hour Statements (Labor Code §§ 226 and 226.3); 3) Failure to Provide Meal and Rest Period Compensation (Labor Code §226.7); 4) Failure to Pay Wages in a Timely Manner (Labor Code § 204); 5) Failure to Pay Overtime Compensation (Labor Code § 1194); 6) Unfair Competition (Bus. & Prof. Code § 17200, et seq.); 7) Retaliation in Violation of Labor Code § 1102.5; 8) Wrongful Termination in Violation of Public Policy; 9) Waiting Time Penalties (Labor Code §§ 201, 202, and 203); and 10) Recovery for Civil Penalties, Private

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Attorney General Act (Labor Code §§ 2698, 2699 et seq.) ("Individual and PAGA Action"). The Class Action and the Individual and PAGA Action (collectively "Actions") were consolidated on June 21, 2022. The Actions are currently pending before the Honorable William Claster in Department CX-105.

2. Defendants deny all material allegations set forth in the Operative Complaints and each of the Actions and have asserted numerous affirmative defenses.

3. The Parties have investigated the facts and analyzed the relevant legal issues with regard to the claims and defenses in the Actions. Plaintiffs' Counsel's investigation included, *inter alia*, the exchange of information pursuant to informal discovery methods, including: comprehensive review of timekeeping and payroll records of Defendants' data; the number of weeks/Status Weeks during which the putative class and allegedly aggrieved employees served during the period of May 10, 2018 to August 31, 2024; and a review of Defendants' corporate policies, practices, and operations. Based on their respective investigation and analysis, Plaintiffs believe the Actions have merit, while Defendants believe the Actions have no merit.

4. On November 30, 2023, the Parties participated in a mediation before Daniel J. Turner, Esq. ("Mediator"). The settlement discussions were conducted at arms'-length, and the Settlement is the result of an informed and detailed analysis of Defendants' potential exposure in relation to the costs and risks associated with continued litigation. While the Parties could not initially resolve the Actions during the full-day mediation, the Parties reached a global agreement to settle both Actions on August 31, 2024, with the Mediator's assistance.

5. Based on documents and data produced, as well as Plaintiffs' Counsel's own independent investigation and evaluation, and the Mediator's efforts, Plaintiffs' Counsel believes that the Settlement with Defendants for the consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, and adequate, and is in the best interest of the putative class in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation and various defenses asserted by Defendants.

6. In the interest of avoiding further litigation, the Parties agree to fully, finally, and forever settle and dispose of all claims by Plaintiffs and the putative class which are alleged or could have been alleged in the Operative Complaint based on a common nucleus of facts. This Settlement

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Agreement is made and entered into by and between Plaintiffs, individually and on behalf of all others similarly situated, and Defendants, and is subject to the terms and conditions hereof, and to the Court's approval. The Parties expressly acknowledge that this Settlement Agreement is entered into solely for the purpose of compromising significantly disputed claims and that nothing herein is an admission of liability or wrongdoing by Defendants. If for any reason this Settlement Agreement is not approved by the Court, it will be of no force or effect, and the Parties shall be returned to their original respective positions as if the Settlement had never been agreed upon.

DEFINITIONS

7. The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

8. "Actions" means the lawsuits titled *Viramontes, et al. v. Prestige Design Center, Inc. et al.*, filed on May 10, 2022, in the California Superior Court for the County of Orange (Case No. 30-2022-01258960-CU-OE-CXC) and *Viramontes, et al. v. Prestige Design Center, Inc. et al.*, filed on January 19, 2021 in the California Superior Court for the County of Orange, (Case No. 3030-2021-01179611-CU-OE-CJC), which were consolidated on June 21, 2022.

9. "Plaintiffs" mean Rolando Viramontes, Juan Vaquerano, Manuel Castro, and Alonso Jimenez who may also be referred to herein as "Class Representatives".

10. "PAGA Members" means all current and former non-exempt employees who are or were employed by Defendant in California at any time during the period of August 18, 2019 through August 31, 2024.

11. "PAGA Period" means the period from August 18, 2019, through August 31, 2024.

12. "Class Counsel" means Employees First Labor Law, P.C., which has been appointed counsel for the Settlement Class.

13. "Attorneys' Fees and Costs" means such award of attorneys' fees as may be approved by the Court for Class Counsel's litigation and resolution of these Actions, and all costs incurred and to be incurred by Class Counsel in the Actions, including, but not limited to, costs associated with documenting the Settlement, securing the Court's approval of the Settlement, administering the Settlement, and obtaining entry of a Final Approval Order and Judgment terminating the Actions.

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14. "Class List" means a complete list of all putative Class Members that Defendants will diligently and in good faith compile from their records and provide to the Settlement Administrator within five (5) calendar days after the Court's entry of Preliminary Approval of this Settlement. The Class List will be formatted in a readable Microsoft Office Excel worksheet and will include, to the extent information is available to Defendants, each putative Class Member's full name; last known mailing address; email address; phone number; Social Security Number; and the start dates of each calendar week in which worked for Defendants as non-exempt employees.

15. "Class Member(s)" or "Settlement Class" means current and former non-exempt employees who are or were employed by Defendants in California at any time during the period of May 10, 2018 to August 31, 2024 or the Court's entry of an order granting preliminary approval of this Settlement. Defendants have identified from Defendants' available records that there were 107 Class Members as of November 30, 2023.

16. "Class Period" means the period from May 10, 2018 through August 31, 2024.

17. "Class Representative Enhancement Payment" means the amount to be paid to Plaintiffs in recognition of their effort and work in prosecuting the Actions on behalf of the Class Members and negotiating the Settlement and in exchange for a general release of claims as set forth below, to be paid out of the Maximum Base Settlement Amount and subject to Court approval.

18. "Defendants" mean Prestige Design Center, Inc., Pacific Stone Design Cetner, Inc., Pacific Stone Construction, Inc., and Hootan Ataian.

19. "Effective date" means the date on which the last of the following events has occurred if no Notices of Objection are received by the Settlement Administrator by the Response Deadline: (1) the Settlement Agreement has been executed by all Parties, Class Counsel, and each of Defendants' counsel; (2) the Court has given Preliminary Approval to the Settlement; (3) the Court has held a final settlement approval hearing and has entered the Final Approval Order and Judgment, approving the Settlement. However, in the event that any Notices of Objection are received by the Settlement Administrator prior to the final settlement approval hearing, which are not later withdrawn prior to final approval, the Effective Date shall be the day after the later of: (a) the date of final affirmance on any appeal, motion for reconsideration or disposition of any other effort to obtain review of the Final Approval Order and Judgment; the expiration of the time for a petition to review the Final Approval

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Order and Judgment; and, if review is granted, the date of final affirmance of the Final Approval Order and Judgment following review; or (b) the date of final dismissal of any appeal from the Final Approval Order and Judgment or the final dismissal of any proceeding to review the Final Approval Order and Judgment; or (c) if no appeal, motion for reconsideration, or other effort to obtain review is filed or made, the day after the deadline for filing any Notice of Appeal from the Final Approval Order and Judgment.

20. "Final Approval Order and Judgment" means the order signed and entered by the Court granting final approval of the Settlement Agreement and entering judgment thereon on substantially the same terms as provided here or as may be modified by subsequent written agreement of the Parties and approved by the Court.

21. "Individual Settlement Payment" means each Participating Class Member's share of the Net Settlement Amount, to be distributed to the Participating Class Members.

22. "LWDA Payment" means One Hundred Thousand Dollars and Zero Cents $100,000.00 of the Maximum Settlement Amount which the Parties have agreed will be allocated to resolve Plaintiffs' claim for civil penalties for alleged Labor Code violations under PAGA, seventy-five percent (75%) of which will be paid to the California Labor and Workforce Development Agency ("LWDA'") in satisfaction of the claim for civil penalties pursuant to PAGA, and which is included in the Released Claims. The remaining twenty-five percent (25%) will be distributed to the PAGA Members, as set forth in Paragraph 43.

23. "Maximum Base Settlement Amount" means the amount of Five Hundred Twenty Seven Thousand Seven Hundred Fifty Two Dollars and Ninety Three Cents ($527,752.93) to be paid by Defendants in exchange for the release of and in full satisfaction of all claims arising from the Actions from the start of the PAGA and Class Period through August 31, 2024, on a class-wide basis, which includes the Attorneys' Fees and Costs, the Class Representative Enhancement Payments, the LWDA Payment, lawful withholdings for the portion of the Settlement allocated to extinguish wage claims, and Settlement Administration Costs. In no event will Defendants be liable for more than the Maximum Base Settlement Amount. No portion of the Maximum Base Settlement Amount shall revert to Defendants. The Settlement Administrator will then be responsible for making appropriate deductions, reporting obligations, and issuing the Individual Settlement Payments.

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24. "Net Settlement Amount" means the portion of the Maximum Base Settlement Amount remaining after deduction of the Attorneys' Fees and Costs, Class Representative Enhancement Payments, the LWDA Payment, and Settlement Administration Costs. The Net Settlement Amount will be distributed to Participating Class Members.

25. "Notice of Objection" means a Participating Class Member's valid and timely written objection to the Settlement Agreement. For the Notice of Objection to be valid, it must include: (a) the case name and number; (b) the objector's full name, signature, address, telephone number and the last four digits of their Social Security number; (c) a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) copies of any papers, briefs, or other documents upon which the objection is based; (e) the identity of the objector's counsel, if the objector is represented by counsel; and (f) whether the objector wishes to be heard at the final approval hearing.

26. "Notice Packet" means the Notice of Class Action Settlement and mailing envelope, attached hereto at Exhibit A, and to be approved by the Court.

27. "Parties" means Plaintiffs and Defendants, collectively, and "Party" means either of the Plaintiffs or either of the Defendants.

28. "Participating Class Members" means all Class Members who do not submit a Request for Exclusion.

29. "Preliminary Approval" means the Court order granting preliminary approval of the Settlement Agreement.

30. "Released Claims" include all claims, debts, liabilities, demands, obligations, damages, and actions or causes of action, arising at any time during the Class Period, that were or could have been asserted based on the factual allegations in the Operative Complaint or based on any facts discovered in the course of the Actions, including claims for failure to pay minimum or overtime wages, failure to provide meal periods and rest breaks or to pay meal and rest period premiums in lieu thereof, failure to pay all wages due upon separation, failure to reimburse reasonable business expenses, failure to provide complete and accurate itemized wage statements, failure to provide paid sick leave, failure to provide notice of paid sick leave rights; claims under California Labor Code sections 201 to 204, 210, 218.5, 218.6, 225.5, 226,226.3, 226.7, 226.8,

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246,247,247.5, 248.5, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2698 *et seq.,* 2802, 2810.5, Wage Order No. 4 of the Industrial Welfare Commission, California Business and Professions Code sections 17200, *et seq.;* and claims for injunctive relief, penalties (including PAGA civil penalties and statutory penalties), interest, fees, and costs.

31. "Released Claims Period" means the period from May 10, 2018 through August 31, 2024.

32. "Released Parties" means Defendants Prestige Design Center, Inc., Pacific Stone Design Center, Inc., Pacific Stone Construction, Inc. and their past and present parents, subsidiaries, divisions, affiliates, predecessors, successors, and assigns, and each of their past and present shareholders, owners, managers, members, officers, directors, employees, agents, trustees, attorneys, insurers, administrators, fiduciaries, beneficiaries, subrogees, executors, partners, privies, as well as Hootan Ataian and his heirs, successors, assigns, and estate, and any other individual or entity which could be liable for any of the Released Claims.

33. "Request for Exclusion" means a timely letter submitted by a Class Member indicating a request to be excluded from the Settlement. The Request for Exclusion must: (a) include the case name and number; (b) contain the full name, address, telephone number, and the last four digits of the Social Security Number of the Class Member requesting exclusion; (c) clearly state that the Class Member does not wish to be included in the Settlement; (d) be signed by the Class Member; (e) be returned by mail to the Settlement Administrator at the specified address; and (f) be postmarked on or before the Response Deadline. The date of the postmark on the return mailing envelope will be the exclusive means to determine whether a Request for Exclusion has been timely submitted. A Class Member who does not request exclusion from the Settlement will be deemed a Participating Class Member and will be bound by all terms of the Settlement, if the Settlement is granted final approval by the Court.

34. "Response Deadline" means the deadline by which Class Members must mail to the Settlement Administrator a valid Request for Exclusion or Notice of Objection. The Response Deadline will be thirty (30) calendar days from the initial mailing of the Notice Packet by the Settlement Administrator, unless the 30th falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. Under

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no circumstances will the Settlement Administrator have the authority to extend the deadline for Class Members to submit a Request for Exclusion or Notice of Objection to the Settlement.

35. "Settlement Administrator" means CPT Group, Inc. or any other third-party class action settlement administrator agreed to by the Parties and approved by the Court for purposes of administering this Settlement pursuant to the terms of this Settlement Agreement, the Preliminary Approval Order, and the Final Approval Order and Judgment, including, without limitation, printing, distributing, and tracking documents for this Settlement, calculating estimated amounts to be paid to each Participating Class Member and PAGA Member, tax reporting, distributing the appropriate settlement amounts, and providing necessary reports and declarations, and other duties and responsibilities set forth herein to process this Settlement, and as requested by the Parties. The Settlement Administrator shall agree to confidentiality terms as may be required by Defendants regarding personal and private data provided to the Settlement Administrator and shall work with Class Counsel and counsel for Defendants to implement and administer appropriate fraud-prevention policies. The Parties each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

36. "Settlement Administration Costs" means the costs approved by the Court to be paid to the Settlement Administrator for administering this Settlement. The Settlement Administration Costs will be paid from the Maximum Base Settlement Amount, including, if necessary, any such costs in excess of the amount estimated by the Settlement Administrator as being necessary to administer the Settlement. The Settlement Administration Costs are currently estimated not to exceed $15,000.

37. "Status Weeks" means the number of calendar weeks in which non-exempt employees who are Class Members in California during the Class Period and PAGA Members during the PAGA Period, worked for Defendants in California, which shall be calculated by the Settlement Administrator based on the number of calendar weeks during the Class Period and PAGA Period as maintained by Defendants. The Maximum Base Settlement Amount encompasses 7,202.5 Status Weeks from May 10, 2018 through August 31, 2024.

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TERMS OF AGREEMENT

38. NOW, THEREFORE, in consideration of the mutual covenants, promises and agreements set forth herein, the Parties agree, subject to the Court's approval, that the Actions shall be completely settled and concluded by agreement of Defendants to pay the Maximum Base Settlement Amount in consideration for the Releases set forth below and other terms herein as follows:

39. Funding of the Settlement Amount. Within five (5) calendar days after the Effective Date, the Settlement Administrator will provide the Parties with an accounting of the amounts to be paid by Defendants pursuant to the terms of the Settlement. Within seven (7) calendar days of receiving the accounting of the final amounts to be paid from the Settlement Administrator, Defendants will make a one-time payment of Five Hundred Twenty Seven Thousand Seven Hundred Fifty Two Dollars and Ninety Three Cents ($527,752.93) ("Maximum Base Settlement Amount") into a Qualified Settlement Fund Account to be established by the Settlement Administrator. Within five (5) business days of the funding of the Qualified Settlement Fund Account, the Settlement Administrator will issue payments to (a) Participating Class Members and PAGA Members; (b) the Labor and Workforce Development Agency ("LWDA"); (c) Plaintiffs; and (d) Class Counsel. The Settlement Administrator will also issue a payment to itself for Court-approved services performed in connection with the Settlement.

The Parties agree that Qualified Settlement Fund Account will qualify and be characterized as a Qualified Settlement Fund ("QSF") under the provisions of the U.S. Treasury Regulations 1.468B-1 and 1.468B-5, and the QSF will be taxed as a separate entity for purposes of all federal, state and local taxes, and further agree to treat the QSF consistent therewith, that the QSF will be considered the employer of the Settlement Class/PAGA Members for purposes of determining all tax obligations associated with the QSF and payments under this Agreement. All expenses and costs incurred in connection with the operation and implementation of this provision shall be paid from the QSF by the Settlement Administrator.

Attorneys' Fees and Costs. Defendants agree not to oppose or impede any application or motion by Class Counsel for Attorneys' Fees up to 35% of the Maximum Base Settlement Amount, in addition to reasonable costs and expenses of litigation not to exceed $15,705.47, subject to Court approval. The amount of Attorneys' Fees and Costs awarded by the Court shall represent payment

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for all claims for Class Counsel's attorneys' fees and costs, past and future, incurred in the Actions. The Attorneys' Fees and Costs shall be paid from the Qualified Settlement Fund Account, and Defendants shall not otherwise be required to pay any portion of Plaintiffs' or the Class Members' attorneys' fees, costs, or expenses. The Attorneys' Fees and Costs Award shall be paid to Class Counsel following the Effective Date as provided herein. Any amounts of attorneys' fees and costs applied for but not awarded by the Court to Class Counsel shall become part of the Net Settlement Amount. An award by the Court of attorneys' fees or costs that is less than the amounts applied for will not be grounds for Plaintiffs or Class Counsel to challenge or withdraw from the Settlement.

40. Class Representatives' Enhancement Payment. In exchange for a general release of all claims, and in recognition of their effort and work in prosecuting the Actions on behalf of Class Members and PAGA Members and negotiating the Settlement, Defendants agree not to oppose or impede any application or motion by Plaintiffs for a Class Representative Enhancement Payment of up to Two Thousand Five Hundred Dollars ($2,500) to each Plaintiff, totaling $10,000.00 out of the Maximum Base Settlement Amount. The Class Representative Enhancement Payment will be in addition to Plaintiffs' respective Individual Settlement Payments as Participating Class Members and PAGA Members paid pursuant to the Settlement.

41. Release Provisions

a. **Participating Class Members' Release.** Upon the date Defendants deposit the Maximum Base Settlement Amount into the QSF, Plaintiffs, on behalf of themselves and all Participating Class Members, including their heirs, agents, successors, assigns and estates, shall be deemed to have fully, finally and forever released and discharged Released Parties from the Released Claims through the Class Period.

b. **Plaintiffs, State of California, and PAGA Member Release.** Upon the date Defendants deposit the Maximum Base Settlement Amount into the QSF, Plaintiffs, on behalf of themselves and the State of California, and all PAGA Members, including their heirs, agents, successors, assigns and estates, shall be deemed to have fully, finally and forever released and discharged the Released Parties from the Released Claims through the PAGA Period.

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42. Settlement Administration Costs. The Settlement Administrator will be paid for the reasonable costs of administration of the Settlement and distribution of payments from the Maximum Base Settlement Amount, currently estimated to be $10,000.00. Settlement Administration Costs, will include, *inter alia,* the required tax reporting on the Individual Settlement Payments, the issuing of 1099 and W-2 IRS Forms, distributing the Notice Packet, calculating and distributing the Maximum Base Settlement Amount and Attorneys' Fees and Costs, and providing necessary reports and declarations.

43. Labor and Workforce Development Agency ("LWDA") Payment. Subject to Court approval, the Parties agree that the amount of One Hundred Thousand Dollars and Zero Cents ($100,000.00) of the Maximum Base Settlement Amount will be designated for satisfaction of Plaintiffs and PAGA Members' PAGA claims and that such amount is a fair and reasonable settlement of that claim and this Settlement fully and finally resolves such claim. Pursuant to the PAGA, 75%, *i.e.,* Seventy Five Thousand Dollars and Zero Cents ($75,000.00) of this sum will be paid to the LWDA and 25%, *i.e.,* Twenty-Five Thousand Dollars and Zero Cents ($25,000.00), will be distributed to the PAGA Members. Each PAGA Member's share of the 25% portion of the LWDA Payment will be determined by dividing their total Status Weeks earned within the PAGA Period by the total Status Weeks earned by all PAGA Members within the PAGA Period. That fraction will then be multiplied by the 25% portion of the LWDA Payment to arrive at the PAGA Member's individual share. These payments to PAGA Members shall be characterized as 100% penalties and will be added to any Individual Settlement Payment provided herein.

The Parties agree that, as to the PAGA claim, no PAGA Member may request exclusion from that portion of the Settlement and, absent an order granting leave to intervene in the Actions, no individual has standing to object to this Settlement with respect to the PAGA claim. Any Class Member who is also a PAGA Member and requests exclusion from the Settlement Class will still receive their portion of the LWDA Payment as set forth above and will be bound by the PAGA Member Release set forth above.

Class Counsel will submit a copy of this Settlement Agreement to the LWDA as required by Labor Code section 2699(1)(2). Class Counsel will attach a copy of the confirmation of submission of the Settlement Agreement to the LWDA as an exhibit to their motion for preliminary approval

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and will submit a copy of the Final Approval Order and Judgment to the LWDA within 10 days of entry, as required by Labor Code section 2699(1)(3).

44. Net Settlement Amount. The Net Settlement Amount will be used to make the Individual Settlement Payments to Participating Class Members from the Settlement Class in accordance with the terms of this Agreement.

45. Non-reversionary Settlement. No portion of the Maximum Base Settlement Amount will revert to Defendants.

46. Individual Settlement Payment Calculations. Individual Settlement Payments to Participating Class Members will be calculated and apportioned from the Net Settlement Amount based on the number of Status Weeks a Participating Class Member worked during the Class Period. Specific calculations of Individual Settlement Payments will be made as follows:

a. The Settlement Administrator will calculate the number of Status Weeks earned by each Participating Class Member during the Class Period, the amount to be paid per Status Week, and the Individual Settlement Payments to eligible Participating Class Members.

b. Defendants' non-exempt employee data will be presumed to be correct, unless a particular Participating Class Member proves otherwise to the Settlement Administrator by credible evidence.

c. The Individual Settlement Payments will be determined by dividing the Net Settlement Amount by the total number of Status Weeks for all Participating Class Members, resulting in the Status Weeks Value, and then multiplying the Status Weeks Value by the number of Status Weeks worked by each Participating Class Member. Individual Settlement Payments will be characterized fifty percent (50%) as wages and fifty percent (50%) as penalties and interest.

47. Individual Settlement Payments Do Not Trigger Additional Benefits. Defendants shall have fully discharged their obligations to Plaintiffs and the Participating Class Members through the remittance of the Maximum Base Settlement Amount to the Settlement Administrator, regardless of whether the checks for Individual Settlement Payments are actually received and/or negotiated by Participating Class Members. Once Defendants has remitted the

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Maximum Base Settlement Amount in accordance with this Settlement Agreement, Defendants will be deemed to have satisfied all terms and conditions under this Settlement Agreement, shall be entitled to all protections afforded under this Settlement, and shall have no further obligations under the terms of the Settlement, regardless of what occurs with respect to the further administration of the Settlement. It is expressly understood and agreed that the receipt of such Individual Settlement Payments will not entitle any Participating Class Member to additional compensation or benefits under any company bonus, contest or other compensation or benefit plan or agreement in place during the period covered by the Settlement, nor will it entitle any Participating Class Member to any retirement, 401(k) benefits or matching benefits, or deferred compensation benefits. It is the Parties' intent that the Individual Settlement Payments provided for in this Settlement are the sole payments to be made by Defendants to the Participating Class Members in the Actions, and that the Participating Class Members are not entitled to any new or additional compensation or benefits as a result of having received the Individual Settlement Payment (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the period covered by this Settlement).

48. Settlement Administration Process. The Parties agree to cooperate in the administration of the Settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred in administration of the Settlement. Without prejudice to any other remedies, the Settlement Administrator shall hold Plaintiffs, Class Counsel, Defendants, and counsel for Defendants harmless from and against all liabilities, claims, causes of action, costs, and expenses (including legal fees and expenses) arising out of any failure to timely or properly compensate Participating Class Members as provided for in this Agreement. No person shall have any claim against any of the Released Parties, counsel for Defendants, Plaintiffs, the Class Members, Class Counsel, or the Settlement Administrator based on mailings, distributions, and payments made in accordance with or pursuant to this Agreement.

49. Delivery of the Class List. Within five (5) calendar days of entry of Preliminary Approval, Defendants will provide the Class List to the Settlement Administrator. The information Defendants provide to the Settlement Administrator shall be used solely to administer the terms of the Settlement Agreement as described herein, shall remain confidential, and shall not be

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disclosed to anyone, except pursuant to the express written authorization of Defendants, by order of the Court, or to the extent necessary to fulfill the Settlement Administrator's reporting obligations hereunder. Within five (5) calendar days of receipt of the Class List, the Settlement Administrator shall confirm to Class Counsel and counsel for Defendants:

a. the total number of unique individuals contained in the Class List; and

b. the total number of Status Weeks between the start of the Class Period and August 31, 2024

50. Notice by First-Class U.S. Mail. Within ten (10) calendar days of receiving the Class List, the Settlement Administrator will perform a National Change of Address database check and shall mail a Notice Packet to all Class Members via regular First-Class U.S. Mail, using the mailing addresses identified in the Class List. There will not be a claim process requirement and, as such, Class Members will not receive, nor will they be required to submit a claim form to receive their Individual Settlement Payments.

51. Confirmation of Contact Information in the Class List. Prior to mailing, the Settlement Administrator will perform a search based on the National Change of Address Database or any other similar services available, such as provided by Experian, for information to update and correct for any known or identifiable address changes.

52. Time for Objections and Requests for Exclusion. Any Class Member that wants to submit a Notice of Objection to the Settlement or Request for Exclusion must do so by the Response Deadline.

53. Notice Packets. All Class Members will be mailed a Notice Packet by the Settlement Administrator. Each Notice Packet will provide: (a) information regarding the nature of the Action; (b) a summary of the Settlement's principal terms; (c) the Settlement Class definition; (d) the total number of Status Weeks each respective Class Member or PAGA Member performed work for Defendants during the Class Period and PAGA Period; (e) each Class Member's or PAGA Member's estimated Individual Settlement Payment and the formula for calculating Individual Settlement Payments; (f) the dates which comprise the Class Period and PAGA Period; (g) information regarding disputing Status Weeks or making Requests for Exclusion or submitting Notices of Objections; (h) the deadlines by which the Class Member or PAGA Member must mail

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any dispute of Status Weeks, Request for Exclusion, or Notice of Objections to the Settlement; (i) the claims to be released, as set forth herein; and (j) the date for the final approval hearing. Neither the Settlement Administrator, Plaintiffs, Class Counsel, Defendants, or counsel for Defendants shall be required to notify any Class Member or PAGA Member of any changes to the date of the final approval hearing. For every Class Member or PAGA Member where the Notice Packet is returned after mailing with a forwarding address, the Settlement Administrator shall re-mail the Notice Packet to the forwarding address. For every Class Member or PAGA Member where the Notice Packet is returned after mailing without a forwarding address, the Settlement Administrator shall perform one "skip trace" search in a consumer information database comparable to Accurint in an effort to locate a current address. It shall be presumed that each Class Member or PAGA Member whose Notice Packet is not returned to the Settlement Administrator as undeliverable within the 45-day notice period has actually received the Notice Packet. The Response Deadline for any Settlement Class Member who is re-mailed a Notice Packet shall be fifteen (15) calendar days from the date of the re- mailing or the original thirty (30) calendar day deadline, whichever is later. If the Response Deadline for any Class Member is later than the original 30-day notice period, the Settlement Administrator shall include a letter with the Notice Packet advising the Class Member of the adjustment to the Response Deadline.

54. Disputed Information in Notice Packets. Participating Class Members and PAGA Members may dispute the number of Status Weeks they worked during the Class Period or PAGA Period by submitting a written Status Weeks dispute to the Settlement Administrator, which should include the Participating Class Member's or PAGA Member's (a) full name, signature, address, telephone number, and the last four digits of the Class Member's or PAGA Member's Social Security number; (b) the number of Status Weeks the Participating Class Member or PAGA Member contends is correct; and (c) any evidence supporting the Participating Class Member's or PAGA Member's contention. Absent evidence rebutting Defendants' records, Defendants' records will be presumed determinative. However, if a Participating Class Member or PAGA Member produces evidence to the contrary, the Parties will evaluate the evidence submitted by the Participating Class Member or PAGA Member and the Settlement Administrator will make the final decision as to the number of eligible Status Weeks that should be applied and/or the Individual

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Settlement Payment to which the Participating Class Member or PAGA Member may be entitled. Participating Class Members or PAGA Members shall have until the Response Deadline to provide evidence to the Settlement Administrator demonstrating that the number of Status Weeks to which they have been credited is incorrect.

55. Settlement Checks. The expiration date on the Individual Settlement Payment checks and LWDA Payment checks to PAGA Members will be one hundred and eighty (180) calendar days from the date the checks are issued. If a Participating Class Member or PAGA Member does not cash his or her check within 180 days, the check will be cancelled. Pursuant to California Code of Civil Procedure section 384, all funds associated with such cancelled checks will be transmitted to the State Controller's fund in the name of the applicable Participating Class Member and/or PAGA Member. Participating Class Members and PAGA Members whose checks are cancelled shall, nevertheless, be bound by this Settlement Agreement.

56. Request for Exclusion Procedures. Any Class Member wishing to be excluded from the Settlement Agreement must mail a written Request for Exclusion to the Settlement Administrator containing the information specified in Paragraph 34 and within the Response Deadline. The date of the postmark on the return mailing envelope will be the exclusive means to determine whether a Request for Exclusion has been timely submitted. The Settlement Administrator will provide Class Counsel and counsel for Defendants with a list of those individuals who have submitted Requests for Exclusion within five (5) days after the Response Deadline, and indicate whether such requests are valid and were timely, to be supplemented as needed. Any Class Member who submits a Request for Exclusion is prohibited from making any objection to the Settlement Agreement. In the event a Class Member submits both a Notice of Objection and a Request for Exclusion, the Request for Exclusion will govern.

57. Settlement Terms Bind All Class Members Who Do Not Request Exclusion. Any Class Member who does not affirmatively Request Exclusion from the Settlement Agreement by submitting a timely and valid Request for Exclusion shall be considered a Participating Class Member and will be bound by all of the terms of the Settlement, including those pertaining to the Released Claims and the above Releases, as well as any Final Approval Order and Judgment that may be entered by the Court if it grants final approval to the Settlement. The entry of the

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Final Approval Order and Judgment approving this Settlement and which discharges Defendants and Released Parties from liability as set forth in the Releases above, including for any and all of the Released Claims, shall have *res judicata* effect and bar Plaintiff and Participating Class Members and PAGA Members from bringing any actions or claims asserting the Released Claims or claim under PAGA.

58. Written Objection Procedures. Plaintiffs may not object to the Settlement. To object to the Settlement Agreement in writing, a Participating Class Member must mail a valid Notice of Objection to the Settlement Administrator on or before the Response Deadline. The Notice of Objection must be signed by the Participating Class Member and contain all information required by paragraph 26 of this Settlement Agreement. The postmark date will be the exclusive means for determining that the Notice of Objection is timely. Absent good cause found by the Court, Participating Class Members who fail to object in writing will be deemed to have waived all written objections, and will be foreclosed from making written objections and seeking any adjudication or review of such written objections, whether by appeal or otherwise, to the Settlement Agreement. Aside from these procedures governing written objections, the Court will otherwise control the acceptance of any objections prior to, or made at the final approval hearing. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Participating Class Members to submit Notices of Objection to the Settlement Agreement or appeal from the Final Approval Order and Judgment.

59. Certification Reports Regarding Individual Settlement Payment Calculations. The Settlement Administrator will provide Defendants' counsel and Class Counsel with a weekly report which certifies: (a) the number of Notice Packets mailed and the number remailed and any revised Response Deadlines due to remailing; (b) the number of Participating Class Members or PAGA Member from the Settlement Class who have submitted a dispute of Status Weeks; (c) the number of Class Members who have submitted Requests for Exclusion or Notices of Objection and whether they are timely and valid; and (d) whether any Class Member has submitted a challenge to any other information contained in their Notice Packet. Additionally, the Settlement Administrator will provide to counsel for both Parties any updated reports regarding the administration of the Settlement Agreement as needed or requested.

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60. Payroll Taxes. In accordance with this Settlement, the payment of the Maximum Base Settlement Amount approved by the Court shall, to the fullest extent possible, resolve, satisfy and completely extinguish all of Defendants' liability with respect to the Settlement Class, including for the "employer" portion of payroll taxes applicable to amounts allocated to extinguish wage claims, to be calculated by the Settlement Administrator and drawn from the Net Settlement Amount.

61. Certification of Completion. Upon completion of administration of the Settlement, the Settlement Administrator will provide a written declaration under oath to certify such completion to the Court and counsel for all Parties.

62. Treatment of Individual Settlement Payments. All Individual Settlement Payments will be characterized as follows: 50% of each Individual Settlement Payment will be considered wages, and 50% will be considered unpaid interest and penalties. The portion allocated to wages will be reported on an IRS Form W-2 and the portions allocated to interest and penalties will be reported on an IRS Form-1099 by the Settlement Administrator.

63. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiffs, Participating Class Members, PAGA Members, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Agreement. The Settlement Administrator will also be responsible for forwarding all payroll taxes and penalties to the appropriate government authorities.

64. Tax Liability. Defendants make no representation as to the tax treatment or legal effect of the payments called for hereunder, and Plaintiffs and Participating Class Members are not relying on any statement, representation, or calculation by Defendants, counsel for Defendants, or by the Administrator in this regard. Plaintiffs and Participating Class Members understand and agree they will be solely responsible for the payment of any taxes and penalties assessed on the payments described herein.

65. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND

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NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

66. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right herein released and discharged.

67. Duties of the Parties Prior to Court Approval. Class Counsel shall prepare Plaintiffs' Motion for Preliminary Approval. The motion shall seek a determination by the Court as to the Settlement's fairness, adequacy, and reasonableness and shall apply to the Court for the entry of an order:

a. Scheduling a final approval hearing on the question of whether the Settlement, including payment of the Attorneys' Fees and Costs and Class Representative

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Enhancement Payment, should be finally approved as fair, reasonable and adequate as to the members of the Settlement Class;

b. Conditionally certifying the Settlement Class for settlement purposes only;

c. Approving, as to form and content, the proposed Notice of Class Action Settlement;

d. Approving the manner and method for Class Members to request exclusion from the Settlement as contained herein;

e. Directing the mailing of the Notice of Class Action Settlement, by first class mail to the Class Members; and

f. Preliminarily approving the Settlement subject only to the objections of Participating Class Members and final review by the Court.

68. Duties of the Parties Following Preliminary Approval. Following preliminary approval by the Court of this Settlement Agreement, Class Counsel will prepare a proposed Final Approval Order and Judgment for review by counsel for Defendants and submission to the Court:

a. Approving the Settlement, adjudging the terms thereof to be fair, reasonable and adequate, and directing consummation of its terms and provisions;

b. Approving Class Counsel's application for an award of Attorneys' Fees and Costs;

c. Approving the Class Representative Enhancement Payment to the Class Representative; and

d. Entering judgment in this Action, with a reservation of continuing jurisdiction by the Court over the Settlement Agreement and its implementation.

69. Non-Cooperation with Third Party Claims. Unless compelled by a validly issued subpoena or court order, Plaintiffs agree not to invite, solicit, initiate, participate, or otherwise cooperate in any way in any legal or adversary proceedings, potential legal or adversary proceedings, or in any other public or private activity, taken against Released Parties, which may be contemplated or initiated by any persons or entities not a party to this Settlement Agreement, regarding any of the claims released by this Settlement Agreement. Nothing within this Settlement Agreement is intended to prevent or interfere with Plaintiffs' participation in any investigation, hearing, or proceeding conducted by any governmental agency, in accordance with applicable law. In no

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event shall Plaintiffs and Class Counsel use confidential information produced subject to the protective order entered in the Actions. Nothing in this paragraph shall be construed as precluding Class Counsel from representing any person adverse to the Released Parties in the future.

70. Nullification of Settlement Agreement. In the event that the Settlement is barred by operation of law, or any material portion is invalidated, or ordered not to be carried out by a court of competent jurisdiction, this Settlement Agreement, and any documents generated to bring it into effect, will be null and void. Any order of judgment entered by the Court in furtherance of this Settlement Agreement will likewise be treated as void from the beginning, and all Parties to this Settlement Agreement shall stand in the same position, without prejudice, as if the Settlement Agreement had been neither entered into nor filed with the Court. Defendants will cease to have any obligation to pay any portion of the Maximum Base Settlement Amount or any mount to the Settlement Administrator, or any other party under the terms of this Agreement and all previous disbursements made by Defendants to the Settlement Administrator will be returned to Defendants. Any Settlement Administration Costs incurred will be split equally between the Parties.

71. Rescission of Settlement Agreement (by Defendants). If more than 10% of the Class Members request exclusion from the Settlement, Defendants may, at its election, rescind or void the Settlement and all actions taken in furtherance of it will thereby be null and void. Defendants must exercise this right of rescission or to void the Settlement Agreement, in writing, to Class Counsel and with a copy to the Settlement Administrator within ten (10) business days after the Settlement Administrator notifies the Parties of receipt of more than fifteen Requests for Exclusion. If the option to rescind or void is exercised, then Defendants shall be solely responsible for all costs of the settlement administration accrued to that point, not to exceed the amount approved by the Court in Preliminary Approval. If Defendants exercise this option, the Parties shall return to their respective positions that existed before the execution of this Settlement Agreement, and no term of this Settlement Agreement or any draft thereof, or the negotiation, documentation, or other part or aspect of the Parties' settlement discussions, shall have any effect or be admissible as evidence for any purpose in the Action, or in any other proceeding.

72. Termination of Settlement. Either Party may terminate this Settlement only if the Court

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declines to enter Preliminary Approval or the Final Approval Order and Judgment in substantially the form submitted by the Parties, or the Settlement Agreement as agreed does not become final because of appellate court action. However, before terminating the Settlement, the Parties agree to meet and confer in good faith to bring the Settlement into compliance with any Court Order.

73. Public Statements. The Parties and their respective counsel shall not hold any press conferences or issue any press releases with respect to this Settlement which identify Defendants at any time. Until Plaintiffs submit the motion for preliminary approval to the Court, the Parties and their respective counsel shall keep the terms of this Settlement Agreement confidential. Prior to final approval of this Settlement, the Parties and their respective counsel will not discuss the Actions or the Settlement or otherwise disclose the terms of this Settlement Agreement with third parties other than Class Members and the Settlement Administrator, except (1) as required by law, (2) as necessary to effectuate this Settlement Agreement, and (3) to the Parties' tax advisors. The Parties and their counsel shall not engage in any publicity, including website or social media postings, of any type related to the Actions or this Settlement, insofar as such publicity identifies Defendants by name or the specifics of their unique type of business, which would render Defendants' identities easily ascertainable. Notwithstanding the specific limitations to public disclosure identified herein, any counsel for the Parties may (1) publicly identify the case as involving the alleged misclassification of rideshare drivers and the amount of the Maximum Base Settlement Amount, and (2) shall not be precluded from disclosing the Parties to the lawsuit and the fact that the matter settled to a Court or other tribunal of competent jurisdiction. Furthermore, nothing herein limits Plaintiffs' or any PAGA or Class Member's ability to communicate with any government agency or otherwise cooperate in any investigation or proceeding that may be conducted by any government agency.

74. Continued Jurisdiction. Upon entry of, and to be included in the Final Approval Order and Judgment, the Court will retain and have continuing jurisdiction under California Code of Civil Procedure section 664.6 to enforce the terms of this Settlement.

75. Entire Agreement. This Settlement Agreement and any attached Exhibits constitutes the entirety of the Parties' Settlement. No other prior or contemporaneous written or oral agreements

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may be deemed binding on the Parties. The Parties expressly recognize California Civil Code section 1625 and California Code of Civil Procedure section 1856(a), which provide that a written agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written representations or terms will modify, vary or contradict the terms of this Settlement Agreement.

76. Amendment or Modification. This Settlement Agreement may be amended or modified only by a written instrument signed by the Parties and counsel for all Parties or their successors-in-interest.

77. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement.

78. Signatories. It is agreed that because the members of the Settlement Class are so numerous, it is impossible or impractical to have each member of the Settlement Class execute this Settlement Agreement. The Notice of Class Action Settlement, attached hereto as **Exhibit A,** will advise all Class Members and PAGA Members of the binding nature of the Releases contained herein, and the Releases shall have the same force and effect as if this Settlement Agreement were executed by each Participating Class Member and PAGA Member.

79. Binding on Successors and Assigns. This Settlement Agreement will be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

80. California Law Governs. All terms of this Settlement Agreement hereto will be governed by and interpreted according to the laws of the State of California.

81. Execution and Counterparts. This Settlement Agreement is subject only to the execution

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of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including facsimile and scanned copies of the signature page, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange among themselves original signed counterparts.

82. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this Settlement after arms'-length negotiations and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement Agreement.

In addition, the Mediator may execute a declaration supporting the Settlement and the reasonableness of the Settlement and the Court may, in its discretion, contact the Mediator to discuss the Settlement and whether or not the Settlement is objectively fair and reasonable.

83. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

84. Plaintiffs' Waiver of Right to Be Excluded and Object. Plaintiffs agree to sign this Settlement Agreement and, by signing this Settlement Agreement, are hereby bound by the terms herein and further waives any right to submit a Request for Exclusion or Notice of Objection.

85. Appeals. Except for the Court's award for Attorneys' Fees and Costs, any Party may appeal any court order that materially alters the Settlement Agreement's terms.

86. Non-Admission of Liability. The Parties enter into this Settlement Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense and risk of continued litigation. In entering into this Settlement Agreement, Defendants do not admit, and specifically deny, they have violated any state, federal, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations or legal requirements; breached any contract; violated or breached and duty engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect to Class Members or PAGA

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Members. Neither this Settlement Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be construed as an admission or concession by Defendants of any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this Settlement Agreement, this Settlement Agreement and its terms and provisions shall not be offered or received as evidence in any action or proceeding to establish any liability or admission on the part of Defendants or to establish the existence of any condition constituting a violation of, or a non-compliance with state, federal, local or other applicable law.

87. Captions. The captions and section numbers in this Settlement Agreement are inserted for the reader's convenience, and in no way define, limit, construe or describe the scope or intent of the provisions of this Settlement Agreement.

88. Waiver. No waiver of any condition or covenant contained in this Settlement Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

89. Enforcement Actions. In the event of a dispute concerning the enforcement of any provision of this Settlement Agreement or breach of a term of this Settlement Agreement, notice must be mailed to counsel for all Parties. Upon receipt, counsel for the Parties shall meet and confer in a good faith attempt to resolve the dispute for period not to exceed ten (10) days. In the event those efforts are unsuccessful, the dispute shall be submitted to the Mediator. If the mediation is not successful and one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement Agreement or to declare rights and/or obligations under this Settlement Agreement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

90. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed more strictly against one party than another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arms'-length

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negotiations between the Parties, all Parties have contributed equally to the preparation of this Settlement Agreement.

91. Representation By Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that this Settlement Agreement has been executed with the consent and advice of counsel and reviewed in full. Further, Plaintiffs and Class Counsel warrant and represent that there are no liens on the Settlement Agreement.

92. All Terms Subject to Final Court Approval. All amounts and procedures described in this Settlement Agreement herein will be subject to final Court approval.

93. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement.

94. Integration Clause. This Settlement Agreement and the accepted Mediator's Proposal contains the entire agreement between the Parties relating to the Settlement and transactions contemplated hereby, and all prior or contemporaneous agreements understandings, representations, and statements, whether oral or written and whether by a party or such party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

95. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Settlement Agreement, and further intend that this Settlement Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under state or federal law.

96. Stay of Discovery and 5-Year Deadline. All deadlines pertaining to outstanding written discovery, motions to compel, and the deadline for Plaintiffs to bring their case to trial pursuant to California Code of Civil Procedure 585.3 l0(a) are hereby stayed until the Effective Date.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class and PAGA Action Settlement and Release between Plaintiffs and Defendants as of the date(s) set forth below:

SIGNATURES - READ CAREFULLY BEFORE SIGNING

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PLAINTIFF:

Dated: 10 / 14 / 2024

Rolando Viramontes

Dated: 10 / 14 / 2024

Juan Vaquerano

Dated: 10 / 14 / 2024

Manuel Castro

Dated: 10 / 14 / 2024

Alonso Jimenez

DEFENDANTS:

Dated: _____

Prestige Design Center, Inc.
By:
Its:

Dated: _____

Pacific Stone Design Center, Inc.
By:
Its:

Dated: _____

Pacific Stone Construction, Inc.
By:
Its:

Dated: _____

Hootan Ataian

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PLAINTIFF:

Dated: _____

Rolando Viramontes

Dated: _____

Juan Vaquerano

Dated: _____

Manuel Castro

Dated: _____

Alonso Jimenez

DEFENDANTS:

Dated: 10/7/2024

Prestige Design Center, Inc.
By:
Its:

Dated: 10/7/2024

Pacific Stone Design Center, Inc.
By:
Its:

Dated: 10/7/2024

Pacific Stone Construction, Inc.
By:
Its:

Dated: 10/7/2024

Hootan Ataian

EMPLOYEES FIRST LABOR LAW
1 S. FAIR OAKS AVE., SUITE 200
PASADENA, CALIFORNIA 91105

EXHIBIT 2

CASTRO (hereinafter referred to as "Mr. Castro") is and at all times relevant hereto was a resident of the County of Orange, State of California. Plaintiff, ALONSO JIMENEZ (hereinafter referred to as "Mr. Jimenez") is and at all times relevant hereto was a resident of the County of Orange, State of California.

4. Collectively, Plaintiffs and all other persons similarly situated to Plaintiffs (collectively "Plaintiffs"):

a. were residents of the State of California;

b. were employed by Defendants as a member of Defendants' CLASS at Defendantd within the four years preceding January 19, 2021, the date in which the original complaint in this matter was filed;

c. were not compensated the minimum wage for all hours worked and was forced to work hours off the clock;

d. worked more than eight (8) hours in any given day and/or more than forty (40) hours in any given week, but were not paid overtime compensation pursuant to applicable *Labor Code* requirements;

e. were not provided compliant meal breaks pursuant to applicable *Labor Code* requirements;

f. were not provided compliant rest breaks pursuant to applicable *Labor Code* requirements;

g. were not provided accurate itemized wage statements pursuant to applicable *Labor Code* requirements;

h. were not paid all wages earned and owed in a timely manner during employment as required by the *Labor Code*; and

i. were not paid all wages earned and owed in a timely manner upon separation of employment as required by the *Labor Code*.

5. Plaintiffs also seek civil penalties under the *Private Attorney General Act*, *Labor Code* section 2698, 2699 *et seq.* ("PAGA") for the *Labor Code* violation described herein.

B. Defendants

6. Plaintiffs are informed and believe, and based thereupon allege, that at all times relevant hereto, Defendant PRESTIGE DESIGN CENTER, INC., (hereinafter referred to as "Prestige") was and is a California corporation doing business at 1555 W Embassy St #1016, Anaheim, CA 92802, in the County of Orange, State of California.

7. Plaintiffs are informed and believe, and based thereupon allege, that at all times relevant hereto, Defendant PACIFIC STONE CONSTRUCTION, INC., (hereinafter referred to as "Pacific Stone") was and is a California corporation doing business at 1555 W Embassy St #1016, Anaheim, CA 92802, in the County of Orange, State of California.

8. Plaintiffs are informed and believe, and based thereupon allege, that at all times relevant hereto, Defendant PACIFIC STONE DESIGN CENTER, INC., (hereinafter referred to as "Pacific Stone") was and is a California corporation doing business at 1555 W Embassy St #1016, Anaheim, CA 92802, in the County of Orange, State of California.

9. Plaintiffs are informed and believe, and based thereupon allege, that at all times relevant hereto, Defendant HOOTAN ATAIAN, (hereinafter referred to as "Mr. Ataian") was and is a California resident doing business at 1555 W Embassy St #1016, Anaheim, CA 92802, in the County of Orange, State of California.

10. Plaintiffs are informed and believe, and based thereupon allege, that at all times relevant hereto, Defendant Mr. Ataian was Plaintiffs' employer, manager, corporate agent, supervisor. Specifically, Plaintiffs are informed and believe, and based thereupon allege, that Mr. Ataian dictated Plaintiffs compensation and had plenary ability to supervise, manage, hire, and fire, and did participate in the hiring and firing of Plaintiffs. Defendant Mr. Ataian exercised control and management of the work performed by Plaintiffs as to establish or change corporate policies for which Plaintiffs were required to perform. Defendant Mr. Ataian had the ability to ensure Plaintiffs were properly compensated and allotted meal breaks, rest periods, and other provisions issued to employees. Furthermore, Plaintiffs were of the belief that Mr. Ataian was also their employer.

11. On information and belief, Mr. Ataian was the primary, if not the sole, decision maker and author of its corporate policies as to: (1) setting employees' working hours and rates of pay; (2)

whether, and how much, to pay employees for overtime hours worked; (3) whether to allow employees the opportunity to take meal periods and rest breaks; (4) determining whether to issue itemized wages statements to employees; (5) determining whether an employee was exempt or non-exempt for purposes of applicable compliance with the Labor Code and order of the Industrial Welfare Commission; and (6) ensure compliance with all applicable Labor Code sections and orders of the Industrial Welfare Commission.

12. Plaintiffs are informed and believe, and based thereupon allege, that at all times relevant hereto, Defendant owned and/or operated a remodeling and stone design business and availed itself to the rights and privileges of the State of California.

13. Defendants were Plaintiff's employer within the meaning of *Gov. Code* §§ 12926, subdivision (d), 12940, subdivisions (a),(h),(1), (h)(3)(A), and (i), and 12950, and regularly employed five (5) or more persons and is therefore subject to the jurisdiction of this Court.

14. The true names and capacities, whether individual, corporate, associate, or otherwise, of the Defendants named herein as DOES 1-20, inclusive, are unknown to Plaintiff at this time and therefore said Defendants are sued by such fictitious names. Plaintiff will seek leave to amend this complaint to insert the true names and capacities of said Defendants when the same become known to Plaintiff. Plaintiffs are informed and believe, and based thereupon allege, that each of the fictitiously named Defendants is responsible for the wrongful acts alleged herein, and are therefore liable to Plaintiff as alleged hereinafter.

15. Plaintiffs are informed and believe, and based thereupon allege, that at all times relevant hereto, Defendants, and each of them, were the agents, employees, managing agents, supervisors, coconspirators, parent corporation, joint employers, alter egos, successors, and/or joint ventures of the other Defendants, and each of them, and in doing the things alleged herein, were acting at least in part within the course and scope of said agency, employment, conspiracy, joint employer, alter ego status, successor status and/or joint venture and with the permission and consent of each of the other Defendants.

16. Plaintiffs are informed and believe, and based thereupon allege, that Defendants, and each of them, including those defendants named as DOES 1-20, acted in concert with one another to

commit the wrongful acts alleged herein, and aided, abetted, incited, compelled and/or coerced one another in the wrongful acts alleged herein, and/or attempted to do so, including pursuant to *Gov. Code* §12940(i). Plaintiff is further informed and believes, and based thereupon allege, that Defendants, and each of them, including those defendants named as DOES 1-20, and each of them, formed and executed a conspiracy or common plan pursuant to which they would commit the unlawful acts alleged herein, with all such acts alleged herein done as part of and pursuant to said conspiracy, intended to cause and actually causing Plaintiff harm.

ALTER EGO, AGENCY, SUCCESSOR AND JOINT EMPLOYER

17. Whenever and wherever reference is made in this complaint to any act or failure to act by a Defendant or co-Defendants, such allegations and references shall also be deemed to mean the acts and/or failures to act by each Defendant acting individually, jointly and severally.

18. Plaintiffs are informed and believe, and based thereon allege, that there exists such a unity of interest and ownership between Defendant and DOES 1-20 that the individuality and separateness of defendants have ceased to exist.

19. Plaintiffs are informed and believe, and based thereon allege, that despite the formation of purported corporate existence, Defendant and DOES 1-20 are, in reality, one and the same as Defendant, including, but not limited to because:

a. Defendants are completely dominated and controlled by DOES 1-20, who personally committed the frauds and violated the laws as set forth in this complaint, and who have hidden and currently hide behind Defendant to perpetrate frauds, circumvent statutes, or accomplish some other wrongful or inequitable purpose.

b. DOES 1-20 derive actual and significant monetary benefits by and through Defendant's unlawful conduct, and by using Defendants as the funding source for their own personal expenditures.

c. Plaintiffs are informed and believe that Defendants and DOES 1-20, while really one and the same, were segregated to appear as though separate and distinct for purposes of perpetrating a fraud, circumventing a statute, or accomplishing some other wrongful or inequitable purpose.

d. Plaintiffs are informed and believe that Defendant does not comply with all requisite corporate formalities to maintain a legal and separate corporate existence.

e. Plaintiffs are informed and believe, and based thereon allege, that the business affairs of Defendant and DOES 1-20 are, and at all times relevant were, so mixed and intermingled that the same cannot reasonably be segregated, and the same are in inextricable confusion. Defendant is, and at all times relevant hereto was, used by DOES 1-20 as a mere shell and conduit for the conduct of certain of Defendants' affairs, and is, and was, the alter ego of DOES 1-20. The recognition of the separate existence of Defendant would not promote justice, in that it would permit Defendants to insulate themselves from liability to Plaintiffs for violations of the Government Code and other statutory violations. The corporate existence of Defendant and DOES 1-20 should be disregarded in equity and for the ends of justice because such disregard is necessary to avoid fraud and injustice to Plaintiffs herein.

20. Accordingly, Defendant constitutes the alter ego of DOES 1-20, and the fiction of their separate corporate existence must be disregarded.

21. As a result of the aforementioned facts, Plaintiffs are informed and believe, and based thereon allege that Defendant and DOES 1-20 are Plaintiffs' joint employers by virtue of a joint enterprise, and that Plaintiffs were employees of Defendant, and DOES 1-20. Plaintiffs performed services for each and every one of Defendants, and to the mutual benefit of all Defendants, and all Defendants shared control of Plaintiffs as employees, either directly or indirectly, and the manner in which Defendants' business was and is conducted.

22. Alternatively, Plaintiffs are informed and believe and, based thereupon allege, that as and between DOES 1-20 and Defendant, (1) there is an express or implied agreement of assumption pursuant to which DOES 1-20 agreed to be liable for the debts of Defendant, (2) the transaction between DOES 1-20 and Defendant amounts to a consolidation or merger of the two corporations, (3) DOES 1-20 is a mere continuation of Defendant, or (4) the transfer of assets to DOES 1-20 is for the

fraudulent purpose of escaping liability for Defendant's debts. Accordingly, DOES 1-20 are the successors of Defendant, and are liable on that basis.

FACTUAL ALLEGATIONS

A. Class Claims

23. Defendants own and operate a real estate, construction, and remodeling business specializing in stone design and outdoor living spaces for customers throughout Southern California.

24. Mr. Viramontes and all others similarly situated who have worked for Defendants as Non-Exempt Employees at Defendants within the four years preceding January 2021, bring this class action to recover wages, damages, unreimbursed business expenses, penalties, attorneys' fees, litigation expenses, and costs of court under the provisions of the *Labor Code* sections 201, 202, 203, 204, 226, 226.7, 510, 512, 1194, 1194.2, 1194.7, 2802, Industrial Welfare Commission ("IWC") Order No. 5-2001, and the *Business and Professional Code*.

25. Within the time period of four years preceding the date of Plaintiffs bringing their claims, January 26, 2021, ("Relevant Time Period"), Plaintiffs were not provided compliant meal and rest breaks as statutorily mandated, were forced to work through statutorily mandated meal and rest breaks without pay, were not paid legally mandated minimum, overtime and waiting time wages, did not receive accurate itemized wage statements, and were not paid all wages earned and owed in a timely manner. Moreover, Plaintiffs' pay was significantly cut. Hootan Ataian then instructed his staff to file a claim with the EDD for unemployment insurance benefits despite being required to continue working 10-12 hours per day. Plaintiff complained to Defendants about Defendants' scheme to defraud the EDD, not being paid for hours of work each day, and their belief that these practices were illegal on or about March 1, 2020.

26. During the Relevant Time Period, Plaintiffs are and/or have been non-exempt employees within the meaning of the *Labor Code*, and the implementing regulations of the IWC Wage Orders.

27. Defendants are or were the employer of all Plaintiffs at all times relevant to this Complaint. Defendants "employ(ed)" all Plaintiffs pursuant to the definition of "employ" within IWC Wage Order 10, namely "to engage, suffer, or permit to work."

28. During the relevant time period, Defendants exercised control over the wages, hours, and working conditions of Plaintiffs, suffered or permitted Plaintiffs to work, and created a common law employment relationship with Plaintiffs.

29. Throughout Plaintiffs' employment, Defendants failed to allow Plaintiffs to take regular, uninterrupted meal breaks or rest periods, even when Plaintiffs had worked the requisite number of hours entitling them to such breaks.

30. For the entirety of Plaintiffs' employment with Defendants, Defendants failed and refused to pay Plaintiffs the total amount of wages that Plaintiffs, through their employment and labor had earned working for Defendants.

31. For the entirety of Plaintiffs' employment with Defendants, Defendants had consistently failed to provide Plaintiffs with timely, accurate, and itemized wage and hour statements, in writing, showing gross wages earned, total hours worked, all deductions made, net wages earned, the name and address of the legal entity employing them, all applicable hourly rates in effect during each pay period, and the corresponding number of hours worked by them at each hourly rate in and among other information, as required by California wage-and-hour laws.

32. For the entirety of Plaintiffs' employment with Defendants, Defendants routinely failed to provide Plaintiffs with rest breaks after working the requisite number of hours, and routinely required Plaintiffs to work more than the requisite number of hours without being given at least a 30-minute meal break. Further, Defendants routinely failed to compensate Plaintiffs for these missed rest breaks and meal periods.

33. For the entirety of Plaintiffs' employment with Defendants, Defendants had consistently failed to pay Plaintiffs' wages on a timely semi-monthly basis, as required by the Labor Code.

34. For the entirety of Plaintiffs' employment with Defendants, Defendants routinely required Plaintiffs to work more than eight (8) hours per day and forty (40) hours per week. Plaintiffs did not receive accurate compensation for straight, regular time pay, and overtime pay.

35. As set forth above, and throughout this complaint, Defendants engaged in various acts of unfair competition and unlawful and unfair business practices as defined in the *Unfair Competition Law*, Business and Professions Code § 17200, et seq.

36. Pursuant to the Labor Code, California law and applicable Wage Orders, Plaintiffs are entitled to all damages, unpaid wages, statutory penalties, waiting time penalties, interest and attorney's fees and costs for the illegal and wrongful acts and omissions of Defendants, all as alleged throughout this complaint.

CLASS ALLEGATIONS

A. Definition of the CLASS PLAINTIFFS

37. The CLASS consists of: all persons who were employed by Defendants, within the Relevant Time Period as a member of Defendants' CLASS PLAINTIFFS or with any similar title who were non-exempt employees and are owed unpaid minimum wages, unpaid overtime wages, penalties for noncompliant and/or missed meal and rest breaks, were provided inaccurate wage statements, and were not timely paid during and/or following their employment with Defendants.

B. CLASS Definitions

38. **CLASS Definitions:** Mr. Viramontes brings this action on behalf of CLASS PLAINTIFFS pursuant to § 382 of the Code of Civil Procedure and *Lab. Code* section 2698 (hereinafter, collectively referred to as "CLASS"):

a. The Overtime Class consists of all of Defendants' current and former non-exempt employees in California who worked over 8.0 hours in a workday and/or over 40 hours in a workweek and were subject to Defendants' timekeeping policies/practices, during the Relevant Time Period.

b. The Minimum Wage Class consists of all of Defendants' current and former non-exempt employees in California who were subject to Defendants' timekeeping policies/practices, and/or employees forced to work off-the-clock without compensation, during the Relevant Time Period.

c. The Meal Period Class consists of all of Defendants' current and former non-exempt employees in California who worked at least one shift in excess of 5.0 hours, during the Relevant Time Period.

d. The Rest Period Class consists of all Defendants' current and former non-exempt employees in California who worked at least one shift in excess of 3.5 hours, during the Relevant Time Period.

e. The Wage Statement Class consists of all members of the Overtime Class, Double Overtime Class, Minimum Wage Class, Meal Period Class, and/or Rest Period Class who were employed by Defendants during the Relevant Time Period.

f. The Waiting Time Class consists of all members of the Overtime Class, Double Overtime Class, Minimum Wage Class, Meal Period Class, and/or Rest Period Class, whose employment with Defendants during the Relevant Time Period.

39. **Class Action Requisites**

70. Ascertainability. Plaintiffs bring this action pursuant to *Code of Civil Procedure* section 382 for violations of California's wage and hour laws, on behalf of themselves and all other similarly situated CLASS PLAINTIFFS, who worked for Defendants in the four years preceding July 2020 at Defendants' locations. Plaintiffs are any current or former CLASS PLAINTIFFS, or current or former employees with any similar title, who were non-exempt employees and are owed wages and/or penalties for noncompliant and/or missed meal and rest breaks, unpaid overtime compensation, and/or were provided inaccurate wage statements.

40. Other employees have been victimized by this pattern, practice, and policy of the Defendants that is in violation of California's wage and hour laws. Plaintiffs are aware that the illegal practices and policies of Defendants have been imposed on other workers.

41. Community of Interest. Predominant common questions of law and fact exist as to members of the CLASS, without limitation, the following:

a. Whether Defendants implemented and engaged in a systematic practice of failing to compensate members of the CLASS for all hours worked including a practice of

forcing members of the CLASS to work off the clock under the ruse or guise that they were volunteers;

b. Whether Defendants implemented and engaged in a systematic practice whereby they unlawfully failed to provide members of the CLASS with compliant meal periods;

c. Whether Defendants implemented and engaged in a systematic practice whereby they unlawfully failed to provide members of the CLASS with compliant rest periods;

d. Whether Defendants implemented and engaged in a systematic practice whereby they unlawfully failed to provide members of the CLASS with overtime compensation for all hours worked over 8 hours in one day or over 40 hours in one week;

e. Whether Defendants have willfully failed to pay members of the CLASS at the time of termination of employment all earned wages owed;

f. Whether Defendants failed to pay members of the CLASS all due and payable wages twice in each calendar month;

g. Whether the systematic acts and practices of Defendants as alleged herein violated applicable provisions of the *Labor Code*, as well as the applicable Wage Orders;

h. Whether Defendants engaged in unfair business practices in violation of the *Business & Professions Code*, including *Business and Professions Code* sections 17200, *et seq*.

42. These aforementioned predominant common questions of law and fact are sufficiently numerous and substantial and may be jointly tried such that the class action method is advantageous to the judicial process and the Plaintiffs.

43. All members of the CLASS shared common job duties and responsibilities. Thus, all of the Plaintiffs' experiences and claims are typical of the experiences and claims of Defendants' other employees who worked at Defendant.

44. The potential members of the CLASS are sufficiently numerous that joinder of all members would be unfeasible and impracticable. The disposition of the claims through this class action will benefit both the parties and the Court. The exact number of members is unknown to Plaintiffs at this time. The number and identity of the proposed CLASS are readily ascertainable through inspection of Defendants' records.

45. The named Plaintiffs will fairly and adequately represent and protect the interests of the members of the CLASS. Plaintiffs have retained and are represented by counsel competent and experienced in complex multi-party litigation, including wage and hour class actions.

46. Manageability. Plaintiffs know of no difficulty which will be encountered in the management of this litigation which would preclude its maintenance as a class action, and the class action method will confer substantial benefits to, members of the CLASS and this Court.

47. Superiority. The questions of law and fact common to Plaintiffs predominate over questions affecting the individual class members such that the nature of this action and the nature of laws available to Plaintiffs make use of the class action format the superior and appropriate procedure to afford relief for the wrongs alleged.

FIRST CAUSE OF ACTION
FOR FAILURE TO PAY MINIMUM WAGES IN
VIOLATION OF *LABOR CODE* §§ 1194, 1194.2, 1197,
WAGE ORDER NO. 10 OF THE IWC
(BY PLAINTIFFS AND ALL OTHER SIMILARLY SITUATED EMPLOYEES AGAINST ALL DEFENDANTS AND DOE DEFENDANTS)

48. Plaintiffs incorporate by reference and reallege all preceding paragraphs, inclusive, as though set forth fully herein.

49. Pursuant to *Labor Code* §§ 1194, 1194.2, and 1197, it is unlawful for an employer to suffer or permit a California employee to work without paying wages at the proper minimum wage for all time worked as required by the applicable IWC Wage Order No. 10, codified at California Code of Regulations, title 8, section 11160, subdivision 4.

50. Pursuant to IWC Wage Order No. 10 at all times material hereto, "hours worked" included "the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so."

51. During the liability period, Plaintiffs suffered, were permitted and were required, to perform work "off-the-clock," for which they received no pay, including work before, during and after their shifts and work during unpaid rest periods.

52. During the liability period, under the provisions of IWC Wage Order No. 10, Plaintiffs should have received not less than the minimum wage in a sum according to proof for the time worked, but not compensated.

53. For all time that Plaintiffs worked and received no pay, they are entitled to not less than the California minimum wage and, pursuant to *Labor Code* section 1194.2, subdivision (a), liquidated damages in an amount equal to the unpaid minimum wages and interest thereon. Pursuant to *Labor Code* section 1194, Plaintiffs are also entitled to their attorneys' fees, costs and interest according to proof.

SECOND CAUSE OF ACTION
FOR FAILURE TO FURNISH WAGE AND HOUR STATEMENTS
(*LABOR CODE* §§ 226 AND 226.3)
(BY PLAINTIFFS AND ALL OTHER SIMILARLY SITUATED EMPLOYEES AGAINST ALL DEFENDANTS AND DOE DEFENDANTS)

54. Plaintiffs incorporate by reference and reallege all preceding paragraphs, inclusive, as though set forth fully herein.

55. Defendants failed to provide Plaintiffs with timely and accurate wage and hour statements showing gross wages earned, total hours worked, all deductions made, net wages earned, the name and address of the legal entity employing them, all applicable hourly rates in effect during each pay period, and the corresponding number of hours worked at each hourly rate.

56. Defendants are liable for statutory penalties and civil penalties pursuant to *Labor Code* §§ 226, 226.3, and 558 and the other applicable laws and regulations.

THIRD CAUSE OF ACTION
FOR FAILURE TO PAY MEAL AND REST PERIOD COMPENSATION
(*LABOR CODE* § 226.7)
(BY PLAINTIFFS AND ALL OTHER SIMILARLY SITUATED EMPLOYEES AGAINST ALL DEFENDANTS AND DOE DEFENDANTS)

57. Plaintiffs incorporate by reference and reallege all preceduing paragraphs, inclusive, as though set forth fully herein.

58. Plaintiffs regularly worked shifts greater than five (5) hours. Pursuant to *Labor Code* § 512 an employer may not employ someone for a shift of more than five (5) hours without providing him or her with a meal period of not less than thirty (30) minutes.

59. Defendants failed to provide Plaintiffs with meal periods as required under the *Labor Code*. As discussed above, Plaintiffs were required to work through their alleged meal periods, without pay, all in violation of *Labor Code* and applicable Wage Orders. Moreover, Defendants failed to compensate Plaintiffs for each meal period not provided or inadequately provided, as required under *Labor Code* § 226.7.

60. Therefore, pursuant to *Labor Code* § 226.7, Plaintiffs are entitled to damages in an amount equal to one (1) hour of wages at their effective hourly rates of pay, but not less than the applicable minimum wage, for each meal period not provided or deficiently provided, a sum to be proven at trial.

61. Plaintiffs consistently worked consecutive four (4) hour shifts. Pursuant to the *Labor Code* and the applicable IWC Wage Order, Plaintiffs were entitled to paid rest breaks of not less than ten (10) minutes for each consecutive four (4) hour shift.

62. Defendants failed to provide Plaintiffs with timely rest breaks of not less than ten (10) minutes for each consecutive four (4) hour shift.

63. Moreover, Defendants did not compensate Plaintiffs with an additional hour of pay at their effective hourly rate, but not less than the applicable minimum wage, for each day that Defendants failed to provide adequate rest breaks as required under *Labor Code* § 226.7.

64. Therefore, pursuant to *Labor Code* § 226.7, Plaintiffs are entitled to damages in an amount equal to one (1) hour of wages at their effective hourly rates of pay, but not less than the applicable minimum wage, for each day worked without the required rest breaks, a sum to be proven at trial.

FOURTH CAUSE OF ACTION
FOR FAILURE TO PAY WAGES IN A TIMELY MANNER
(*LABOR CODE* §§ 204 ET SEQ. AND 206 ET SEQ.)
(BY PLAINTIFFS AND ALL OTHER SIMILARLY SITUATED EMPLOYEES AGAINST ALL DEFENDANTS AND DOE DEFENDANTS)

65. Plaintiffs incorporate by reference and reallege all preceding paragraphs, inclusive, as though set forth fully herein.

66. During Plaintiffs' putative employment, Defendants routinely failed, without justification, and refused to provide Plaintiffs with timely wages or pay as required *Labor Code* § 204, *et seq.* and other applicable laws and regulations.

67. As a direct and proximate result of Defendants' failure and refusal to pay Plaintiffs timely, Plaintiffs are entitled to recover such amounts, plus interest thereon, attorney's fees and costs, including treble damages pursuant to *Labor Code* § 206, *et seq.*

68. Based on Defendants' conduct as alleged herein, Defendants is liable for up to 30 days of pay for a waiting time penalty, statutory penalties, and civil penalties pursuant to the *Labor Code* and other applicable laws and regulations.

FIFTH CAUSE OF ACTION
FOR FAILURE TO PAY OVERTIME COMPENSATION
(*LABOR CODE* §§ 510 AND 1194)
(BY PLAINTIFFS AND ALL OTHER SIMILARLY SITUATED EMPLOYEES AGAINST ALL DEFENDANTS AND DOE DEFENDANTS)

69. Plaintiffs incorporate by reference and reallege all preceding paragraphs, inclusive, as though set forth fully herein.

70. Defendants routinely required Plaintiffs to work more than eight hours per day. Defendants failed and refused to pay Plaintiffs the overtime compensation required by the *Labor Code* and other applicable laws and regulations.

71. Plaintiffs have been deprived of their rightfully earned and legally required overtime compensation as a direct and proximate result of Defendants' failure and refusal to pay said compensation. Plaintiffs are entitled to recover such amounts, plus interest thereon, attorney's fees and costs.

72. Based on Defendants' conduct as alleged herein, Defendants are liable for civil penalties pursuant to *Labor Code* § 558 and other applicable provisions of the *Labor Code* and other applicable laws and regulations.

SIXTH CAUSE OF ACTION
FOR UNFAIR COMPETITION
(BUSINESS AND PROFESSIONS CODE § 17200 ET SEQ.)
(BY PLAINTIFFS AND ALL OTHER SIMILARLY SITUATED EMPLOYEES AGAINST ALL DEFENDANTS AND DOE DEFENDANTS)

73. Plaintiffs incorporate by reference and reallege all preceding paragraphs, inclusive, as though set forth fully herein.

74. Plaintiff, on behalf of himself, the CLASS, and the general public, brings this claim pursuant to *Business & Professions Code* § 17200, *et seq.* The conduct of Defendants as alleged in this Complaint has been and continues to be unfair, unlawful, and harmful to the CLASS and the general public. Plaintiffs seek to enforce important rights affecting the public interest within the meaning of valid California law and specifically *Code of Civil Procedure* § 1021.5.

75. Plaintiff is a "person" within the meaning of *Business & Professions Code* § 17204, has suffered injury, and therefore has standing to bring this cause of action for injunctive relief, restitution, and other appropriate equitable relief.

76. *Business & Professions Code* § 17200, *et seq.* prohibits unlawful and unfair business practices.

77. Wage-and-hour laws express fundamental public policies. Paying employees their wages and overtime, and providing them with meal periods, rest breaks, timely pay both during and after the termination of their employment, and accurate and itemized wage statements are fundamental public policies of California. *Labor Code* § 90.5(a) articulates the public policies of this State vigorously to enforce minimum labor standards, to ensure that employees are not required or permitted to work under substandard and unlawful conditions, and to protect law-abiding employers and their employees from competitors who lower costs to themselves by failing to comply with minimum labor standards.

78. Defendants violated statutes and public policies. Through the conduct alleged in this Complaint, Defendants acted contrary to these public policies, violated specific provisions of the *Labor Code*, and have engaged in other unlawful and unfair business practices in violation of *Business*

& Professions Code § 17200, *et seq.* Defendants' conduct in this regard has deprived Plaintiffs of the rights, benefits, and privileges guaranteed to all employees under the law.

79. Defendants' conduct, as alleged hereinabove, constitutes unfair competition in violation of the *Business & Professions Code* § 17200, *et seq*.

80. Defendants, by engaging in the conduct herein alleged either knew or in the exercise of reasonable care should have known that his conduct was unlawful, and as such this conduct violates *Business & Professions Code* § 17200, *et seq.*

81. As a proximate result of the above-mentioned acts of Defendants, Plaintiffs have been damaged, in a sum to be proven at trial.

82. Unless restrained by this Court, Defendants will continue to engage in such unlawful conduct as alleged above. Pursuant to the *Business & Professions Code*, this Court should make such orders or judgments, including the appointment of a receiver, as may be necessary to prevent the use by Defendants or their agents or employees of any unlawful or deceptive practice prohibited by the *Business & Professions Code*, including but not limited to the disgorgement of such profits as may be necessary to restore Plaintiffs to the money Defendants have unlawfully failed to pay.

SEVENTH CAUSE OF ACTION
FOR WAITING TIME PENALTIES
(*LABOR CODE* §§ 201 THROUGH 203)
(BY PLAINTIFFS AND ALL OTHER SIMILARLY SITUATED EMPLOYEES AGAINST ALL DEFENDANTS AND DOE DEFENDANTS)

83. Plaintiffs incorporate by reference and reallege all preceding paragraphs, inclusive, as though set forth fully herein.

84. Defendants willfully failed to pay Plaintiffs accrued wages and other compensation due to them at the time of their respective pre-scheduled terminations or within seventy-two (72) hours of their respective resignations.

85. Defendants are liable for statutory and civil waiting time penalties of up to 30 days of pay pursuant to *Labor Code* §§ 201, 202, 203 and other applicable laws and regulations.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs hereby pray that the Court enter judgment in their favor and against Defendants, and each of them, as follows:

1) An order certifying that the action may be maintained as a class action;

2) That Plaintiffs be deemed the representatives of the CLASS;

3) An order appointing counsel for Plaintiffs as lead counsel for the CLASS;

4) For compensatory damages payable to the CLASS in the amount of all earned but unpaid wages, meal and rest period compensation, overtime compensation, waiting time compensation, liquidated damages for failure to pay minimum wage, and other damages according to proof in an amount to be ascertained at trial, and in excess of the jurisdictional limit of this Court;

5) For all applicable civil and/or statutory penalties for the violations set forth herein;

6) An award of pre-judgment and post-judgment interest;

7) An order enjoining Defendants and their agents, servants and employees, from the continued violation of the *Labor Code* and *Business and Professions Code* including but not limited to the unlawful practice of classifying employees as "volunteers" or forcing all such persons to suffer work while at the same time depriving all such persons of the protections and benefits afforded them under the *Labor Code* and applicable Wage Orders;

8) A declaration of the rights and interests of the parties;

9) For restitution for unfair competition pursuant to *Business & Professions Code* section 17200, including restitution and disgorgement of profits, in an amount as may be proven;

10) For an award providing for payment of attorney's fees and costs of suit; and

11) Such other further relief at law or in equity, as this Court may deem proper and just.

DATED: May 10, 2022

EMPLOYEES FIRST LABOR LAW P.C.

By: _____

Jonathan P. LaCour, Esq.
Lisa Noveck, Esq.
Jameson Evans, Esq.
Attorneys for Plaintiff
ROLANDO VIRAMONTES ET AL and all others similarly situated

JURY TRIAL DEMANDED

Plaintiffs demand a trial by jury on all causes of action so triable herein.

DATED: May 10, 2022

EMPLOYEES FIRST LABOR LAW

By: _____

Jonathan P. LaCour, Esq.
Lisa Noveck, Esq.
Jameson Evans, Esq.
Attorneys for Plaintiff
ROLANDO VIRAMONTES ET AL and all others similarly situated

EMPLOYEES FIRST LABOR LAW
1 S. FAIR OAKS AVE., SUITE 200
PASADENA, CALIFORNIA 91105

EXHIBIT 3

COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

Viramontes et al. v. Prestige Design Center, Inc., et al.

Orange County Superior Court Case No.: 30-2022-01258960-CU-OE-CXC

The Orange County Superior Court authorized this Notice. Read it carefully!
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

You may be eligible to receive money from an employee class action lawsuit ("Action") against Prestige Design Center, Inc., Pacific Stone Design Center, Inc., Pacific Stone Construction, Inc., and Hootan Ataian ("DEFENDANTS") for alleged wage and hour violations. The Action was filed by former employees of Defendant, Rolando Viramontes, Juan Vaquerano, Manuel Castro, and Alonso Jimenez ("PLAINTFFS") and seeks payment of back wages and other relief for a class of non-exempt employees who worked for DEFENDANTS within the State of California at any time during the Class Period of May 10, 2018 through August 31, 2024 ("Class Members").

The proposed Settlement is a Class Settlement requiring DEFENDANTS to fund Individual Class Payments.

Based on DEFENDANTS' records, and the Parties' current assumptions, **your Individual Class Payment is estimated to be $_____ (less withholding)**. The actual amount you may receive likely will be different and will depend on a number of factors.

The above estimates are based on DEFENDANTS' records showing that **you worked ____ workweeks** during the Class Period. If you believe that you worked more workweeks during this period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to PLAINTIFFS and PLAINTIFFS' attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires DEFENDANTS to make payments under the Settlement and requires Class Members to give up their rights to assert certain claims against DEFENDANTS.

If you worked for DEFENDANTS during the Class Period, you have two basic options under the Settlement:

(1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims against DEFENDANTS.

(2) **Opt-Out of the Class Settlement**. You can exclude yourself from the Class Settlement (opt-out) by completing and submitting the attached Request for Exclusion form. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against DEFENDANTS.

DEFENDANTS will not retaliate against you for any actions you take with respect to the

proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement.	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment. In exchange, you will give up your right to assert the wage claims against DEFENDANTS that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement. **The Opt-out Deadline is _____.**	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a completed Request for Exclusion form. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section **6** of this Notice.
Participating Class Members Can Object to the Class Settlement **Written Objections Must be Submitted by _____.**	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and PLAINTIFFS who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or PLAINTIFFS, but the amount paid to Class Counsel and PLAINTIFFS reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or PLAINTIFFS if you think they are unreasonable. See Section **7** of this Notice.
You Can Participate in the _____ Final Approval Hearing.	The Court's Final Approval Hearing is scheduled to take place on _____. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, or by telephone. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section **8** of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods **Written Challenges Must be Submitted by _____.**	The amount of your Individual Class Payment depends on how many workweeks you worked during the Class Period. The number of Class Period Workweeks you worked according to DEFENDANTS' records is stated on the first page of this Notice. If you disagree with this number, you must challenge it by _____. See Section **4** of this Notice.

1. WHAT IS THE ACTION ABOUT?

PLAINTIFFS are former employees of DEFENDANTS. The Action accuses DEFENDANTS of violating California labor laws by failing to pay overtime wages, minimum wages, wages due upon termination and reimbursable expenses and failing to provide meal periods, rest breaks and accurate itemized wage statements, and failure to maintain accurate payroll records. PLAINTIFFS are represented by attorneys in the Action: Employees First Labor Law P.C. ("Class Counsel"). DEFENDANTS deny violating any laws or failing to pay any wages and contends it complied with all applicable laws. DEFENDANTS are represented by attorneys in the Action: Mirhosseini Law Group, APC ("Defense Counsel.").

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether DEFENDANTS or PLAINTIFFS are correct on the merits. In the meantime, PLAINTIFFS and DEFENDANTS participated in a conference with an experienced, neutral judge in an effort to resolve the Action by negotiating an end to the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, PLAINTIFFS and DEFENDANTS have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, DEFENDANTS do not admit any violations or concede the merit of any claims.

PLAINTIFFS and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) DEFENDANTS have agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

(1) DEFENDANTS Will Pay $527,752.93 as the Gross Settlement Amount ("Gross Settlement"). DEFENDANTS have agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. Assuming the Court grants Final Approval, the Administrator will use the Gross Settlement to pay the Individual Class Payments, Class Representative Service Payment, Class Counsel's attorney's fees and expenses, and the Administrator's expenses.

(2) Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, PLAINTIFFS and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:

a) Up to $184,713.53 (35% of the Gross Settlement) to Class Counsel for attorneys' fees and $15,705.47 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
b) Up to $15,000.00 to the Administrator for services administering the Settlement.
c) $100,000.00 as civil penalties under the Private Attorneys General Act. Of that

amount, $75,000.00 (75%) shall be paid to the Labor & Workforce Development Agency and $25,000.00 (25%) will form the Individual PAGA Payments to Aggrieved Employees.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

(3) Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.

(4) Taxes Owed on Payments to Class Members. PLAINTIFFS and DEFENDANTS are asking the Court to approve an allocation of 50% of each Individual Class Payment to taxable wages ("Wage Portion") and 50% to interest and penalties ("Non-Wage Portion."). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. DEFENDANTS will separately pay employer payroll taxes it owes on the Wage Portion. The Administrator will report the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although PLAINTIFFS and DEFENDANTS have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes, if applicable) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

(5) Need to Promptly Cash Payment Checks. You will have 180 days after mailing to cash your settlement check. If you don't cash it within 180 days, your check will be automatically voided, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name. If the monies represented by your check is sent to the Controller's Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.

(6) Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than _____, that you wish to opt-out. The easiest way to notify the Administrator is to complete and submit the attached Request for Exclusion form by the _____ Response Deadline. The Request for Exclusion form must be completely filled out and signed by you.

(7) The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. PLAINTIFFS and DEFENDANTS have agreed that, in either case, the Settlement will be void: DEFENDANT will not pay any money and Class Members will not release any claims against DEFENDANTS.

(8) Administrator. The Court has appointed a neutral company, CPT Group (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.

(9) Participating Class Members' Release. After the Judgment is final and DEFENDANTS have fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the "Released Class Claims" released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against DEFENDANTS or their related entities based on the Class claims alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the release of the following "Released Class Claims":

> Plaintiffs and Participating Class Members who do not opt out of the Settlement, release the "Class Released Claims," which means any and all federal, state and local demands, rights, liabilities, claims and/or causes of action, known or unknown, that are alleged in the Class Action, or reasonably could have been alleged in the Class Action based on the facts alleged in the Class Action including claims for failure to provide meal and rest breaks, failure to pay for meal and rest break premiums pay in lieu thereof and at the correct rates paid for same, pay overtime wages and the correct rates paid for same, pay minimum or regular wages for all hours worked, pay timely wages during employment, pay all earned and accrued wages to discharged/separated employees, furnish accurate itemized wage statements, maintain required payroll records, in violation of Labor Code §§201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, or Business and Professions Code § 17200, et seq., which are premised on the same allegations. Plaintiffs and Aggrieved Employees release the "PAGA Released Claims," which means any and all claims for PAGA penalties , known or unknown, that are alleged in the PAGA Action, or reasonably could have been alleged in the PAGA Action based on the facts alleged in the PAGA Action and described in the PAGA Notices pursuant to the Private Attorneys General Act ("PAGA"), Labor Code §§ 2698-2699.5, which accrued during the PAGA Period, including violations premised on violation of Labor Code §§ 201-204, 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198.

The "Released Parties" means: DEFENDANTS, and each of their former and present directors, officers, principals, trustees, shareholders, owners, managers, managing agents, attorneys, insurers, predecessors, successors, assigns, DBAs, parents, subsidiaries, and affiliates.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

(1) Individual Class Payments. The "Net Settlement Amount" is calculated by deducting from the Gross Settlement Amount the amounts approved by the Court for Class Counsel's attorney's fees and expenses, civil penalties, and the Administrator's Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.

(2) Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period as recorded in DEFENDANTS' records are stated in the first page of this Notice. You have until _____ to challenge the number of Workweeks credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail. Section 9 of this Notice has the Administrator's contact information. You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept DEFENDANTS' calculation of Workweeks based on DEFENDANTS' records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defense Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

Participating Class Members. The Administrator will send Individual Class Payments to Participating Class Member (i.e., every Class Member who doesn't opt-out) by U.S. mail, in one check. **Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.**

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Sign and submit the attached Request for Exclusion form. This form must include your full name, present address, and telephone number. You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by _____, or it will be invalid. Section 9 of the Notice has the Administrator's contact information.**

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what PLAINTIFFS and DEFENDANTS are asking the Court to approve. At least 16 court days before the _____ Final Approval Hearing, Class Counsel and/or PLAINTIFFS will file in Court (1) a Motion for Final Approval that includes, among other things, the

reasons why the proposed Settlement is fair, and the amount Class Counsel is requesting for attorneys' fees and litigation expenses is reasonable. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website: _____(url)_____.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Class Counsel's request for fees and litigation Expenses may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel are too high or too low. **The deadline for sending written objections to the Administrator is _____**. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action *Viramontes, et al. v. Prestige Design Center, Inc. et al.* and include your name, current address, telephone number, and approximate dates of employment for DEFENDANTS and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but do not have to, attend the Final Approval Hearing on _____ at _____ in Department CX-101 of the Civil Complex Center, located at 751 West Santa Ana Blvd. in Santa Ana, California 92701. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via Zoom (https://www.occourts.org/general-information/covid-19-response/civil-covid-19-response/civil-remote-hearings). Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website _____(url)_____ beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything DEFENDANTS and PLAINTIFFS have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to _____(specify entity)_____'s website at ____(url)___. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below.

DO NOT TELEPHONE THE DISTRICT COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

Settlement Administrator:
CPT Group

50 Corporate Park
Irvine, CA 92606
Email Address
Telephone
Fax Number

Attorneys for Plaintiffs and Settlement Class Members:
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10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, or if you believe your check to have been stolen, you must promptly notify the Administrator. The Administrator will replace it as long as you request a replacement before the original check became void. If your check is already void you should consult the Unclaimed Property Fund for instructions on how to retrieve the funds.

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California, I am over the age of 18 and not a party to the within action; my business address is: 1 S. Fair Oaks Ave., Suite 200 Pasadena, California 91105. On December 23, 2024, I served the foregoing document described as:

NOTICE OF PROPOSED SETTLEMENT AGREEMENT

on all interested parties in this action by placing true copies thereof enclosed in a sealed envelope addressed as follows:

SEE ATTACHED SERVICE LIST

I am "readily familiar" with this firm's practice of collection and processing correspondence for mailing. It is deposited with the United States Postal Service on that same day in the ordinary course of business. I am aware that on motion of parties served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit. [*CCP* §1013a]

☒ **BY ELECTRONIC SERVICE:** Pursuant to *CCP* §1010.6(C)(2) and *California Rules of Court*, Rule 2.250, I also caused such documents to be served electronically at the e-mail addresses stated on the attached service list. Such e-mail transmissions were complete with no errors reported.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on December 23, 2024, at Pasadena, California.

/s/ Adrian Flores

Adrian Flores

EMPLOYEES FIRST LABOR LAW
1 S. FAIR OAKS AVE., SUITE 200
PASADENA, CALIFORNIA 91105

SERVICE LIST

VIRAMONTES ET AL. V. PRESTIGE DESIGN CENTER, INC., ET AL.

CASE NO.: 30-2021-01179611-CU-OE-CJC

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